
HOUSE BILL No. 1088

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-9-39; IC 15-5; IC 36-6-5-3.

Synopsis: Companion animal tax. Provides that claims for: (1) certain animals killed or maimed by dogs; and (2) certain expenses for taking the Pasteur treatment for rabies following a dog attack; are chargeable to the county in which the dog attack occurs. Requires township trustees to verify claims and submit verified claims to the county auditor for payment. Provides for a local option county companion animal tax, not to exceed \$5 per companion animal. Provides for a municipal option dog tax of \$2 per dog, which may be imposed in addition to the local option county companion animal tax. Abolishes the state mandated dog tax. Eliminates the dog account of the state general fund, county dog funds, and township dog funds, and provides for the disposition of money in the account and the funds.

Effective: January 1, 2007.

Saunders

January 5, 2006, read first time and referred to Committee on Local Government.

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Introduced

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

HOUSE BILL No. 1088

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-9-39 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2007]:

4 **Chapter 39. Local Option Tax for Companion Animals**

5 **Sec. 1.** As used in this chapter, "animal care facility" includes
6 an animal control center, an animal shelter, a humane society, or
7 another animal impounding facility that has as its purpose the
8 humane treatment of animals, including companion animals.

9 **Sec. 2.** As used in this chapter, "companion animal" means a
10 domesticated dog or cat normally maintained in or near the
11 premises of the owner of the dog or cat.

12 **Sec. 3. (a)** The fiscal body of a county may adopt an ordinance
13 to impose a tax on one (1) or more designated species of companion
14 animals that a person harbors or keeps in or near the person's
15 premises in the county, regardless of who owns the companion
16 animal subject to the tax. The person who harbors or keeps a
17 companion animal of a species designated in the ordinance is liable

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for the tax.

(b) An ordinance adopted under this section must state whether the tax is imposed on:

- (1) dogs;
- (2) cats; or
- (3) both dogs and cats.

(c) A tax imposed under this section may not exceed five dollars (\$5) per year for each companion animal subject to the tax.

(d) All money derived by a county from the tax imposed under this section, less any fees retained under section 4 of this chapter, shall be deposited in a fund known as the county companion animal fund.

Sec. 4. The fiscal body of a county may designate one (1) or more persons in the county to collect the tax imposed under section 3 of this chapter. A designee may retain a fee from the tax collected for each companion animal in an amount determined by the fiscal body not to exceed seventy-five cents (\$0.75). A designee shall remit the balance of the money collected to the county treasurer by the tenth day of each month.

Sec. 5. (a) Subject to subsection (b), a fiscal body that imposes a tax under this chapter may appropriate money from the county companion animal fund for any lawful purpose.

(b) Money may be appropriated from a county companion animal fund for use by an animal care facility only if the tax imposed under section 3 of this chapter is imposed on both dogs and cats.

(c) An animal care facility that receives an appropriation from the county companion animal fund shall use the money:

- (1) to build, maintain, or operate the animal care facility;
- (2) to perform animal control functions; or
- (3) to carry out functions under both subdivisions (1) and (2).

Sec. 6. (a) As used in this section, "municipality" has the meaning set forth in IC 36-1-2-11.

(b) The fiscal body of a municipality may levy a tax of up to two dollars (\$2) per year for each dog that a person harbors or keeps in or near the person's premises in the municipality, regardless of who owns the dog. The person who harbors or keeps the dog is liable for the tax.

(c) The fiscal body of a municipality that imposes a tax under subsection (a) shall determine the manner in which the tax is to be collected. The tax may be expended for any lawful purpose of the municipality.

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(d) A tax imposed under this section is in addition to a tax imposed under section 3 of this chapter.

SECTION 2. IC 15-5-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. If a dog kills or injures any livestock while the livestock is in the care, custody, and control of the livestock's owner or ~~his~~ **the owner's** agent, the owner or harbinger of the dog is liable to the owner of the livestock for all damages sustained, including ~~his~~ reasonable attorney's fees and the court costs. ~~if the appropriate dog tax has not been paid on the dog, triple damages may be awarded.~~

SECTION 3. IC 15-5-7-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) **The following losses and expenses are chargeable to the county in which an attack or exposure occurs:**

(1) Damages, less compensation by insurance or otherwise, sustained by owners of the following stock, fowl, or game killed, maimed, or damaged by dogs:

(A) Sheep.

(B) Cattle.

(C) Horses.

(D) Swine.

(E) Goats.

(F) Mules.

(G) Chickens.

(H) Geese.

(I) Turkeys.

(J) Ducks.

(K) Guineas.

(L) Tame rabbits.

(M) Game birds and game animals held in captivity under authority of a game breeder's license issued by the department of natural resources.

(N) Bison.

(O) Farm raised cervidae.

(P) Ratitae.

(2) The expense of taking the Pasteur treatment for hydrophobia that is incurred by any person who is bitten by or exposed to a dog known to have hydrophobia.

(b) A person requiring the treatment described in subsection (a)(2) may select the person's own physician.

(c) Damages are not chargeable to a county under this section

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for sheep except those claims in which individual damage exists or is shown.

(d) A county auditor shall establish procedures for the submission of claims to the county auditor by township trustees who have verified claims in accordance with the requirements of subsection (a) and section 4 of this chapter.

(e) A county auditor who:

(1) receives a verified claim under subsection (a) from a township trustee; and

(2) is satisfied that the claim meets the requirements of subsection (a) and section 4 of this chapter;

shall immediately issue a warrant or check to the claimant for the verified amount of the claim. A county auditor who is not satisfied that a claim meets the requirements of subsection (a) and section 4 of this chapter shall promptly notify the township trustee.

SECTION 4. IC 15-5-7-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) An owner desiring to make a claim under section 3(a)(1) of this chapter must do the following:

(1) Not more than seventy-two (72) hours after the time of the loss, notify one (1) of the following having jurisdiction in the location where the loss occurred:

(A) A law enforcement officer.

(B) An officer of a county or municipal animal control center, shelter, or similar impounding facility.

(2) Not more than twenty (20) days after the time of the loss, report the loss to the trustee of the owner's township as follows:

(A) Under oath, the owner shall state:

(i) the number, age, and value of the stock, fowl, or game; and

(ii) the damages, less compensation by insurance or otherwise, sustained.

(B) In an affidavit, the owner must be joined by two (2) disinterested and reputable freeholders residing in the township in which the stock, fowl, or game were killed, maimed, or damaged. The affidavit must state that the freeholders are:

(i) disinterested; and

(ii) not related by blood or marriage to the claimant.

(C) An appraisal of the stock, fowl, or game that were killed, maimed, or damaged may not exceed the actual cash

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value of the stock, fowl, or game. As it applies to ratitae, cash value may not exceed the slaughter value.

(D) The owner shall provide verification of the loss by an officer under subdivision (1).

(E) No loss shall be paid for property owned by a claimant on the last property tax assessment date if the property was not reported by the owner for assessment purposes at that time.

(b) In addition to the requirements of subsection (a), the claimant, if requested to do so by the county auditor or a person designated by the county auditor, must grant the right of subrogation to the county for the total amount paid on the claim to the claimant by the county on a form prescribed by the county auditor.

(c) An officer who receives notice under subsection (a)(1) shall visit the scene of the loss, verify the loss in writing, and mark each killed, maimed, or damaged animal so that the animal can support only one (1) claim under this chapter.

(d) A person desiring to make a claim under section 3(a)(2) of this chapter must provide the trustee of the township where the attack or exposure occurred with documentation that the person, or a person for whom the claimant is financially responsible, underwent the Pasteur treatment for hydrophobia.

(e) A township trustee who has verified a claim in accordance with this section and section 3 of this chapter shall immediately forward the claim to the county auditor for payment in accordance with procedures established by the county auditor.

SECTION 5. IC 36-6-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. The assessor shall perform the duties prescribed by statute, including

(1) assessment duties prescribed by IC 6-1.1. and

(2) administration of the dog tax and dog fund, as prescribed by IC 15-5-9.

SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2007]: IC 15-5-9; IC 15-5-10.

SECTION 7. [EFFECTIVE JANUARY 1, 2007] (a) Notwithstanding the repeal of IC 15-5-9-10 by this act, if any money remains in the state dog account of the state general fund on December 31, 2006, the auditor of state shall, on January 1, 2007, distribute the money as follows:

(1) Fifty percent (50%) to Purdue University for the School of Veterinary Science and Medicine, to be used solely for canine

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disease research.

(2) Fifty percent (50%) to the counties identified under subsection (b).

(b) Money to be distributed under subsection (a)(2) shall be divided among the counties that paid to the auditor of state, under IC 15-5-9-10(j) (before its repeal by this act), the surplus money remaining in the counties' county dog funds on May 1, 2006.

(c) Each county's share of the total amount distributed under this SECTION must be proportional to the county's share of the total amount paid to the auditor of state in 2006 under IC 15-5-9-10(j) (before its repeal by this act).

(d) This SECTION expires January 1, 2008.

SECTION 8. [EFFECTIVE JANUARY 1, 2007] (a) Notwithstanding the repeal of IC 15-5-9-10 by this act, if any money remains in a county dog fund on January 31, 2007, the county auditor shall, on February 1, 2007, distribute the money to the township trustees of the townships located in the county. An equal share of the money shall be distributed to each township trustee.

(b) A township trustee who receives a distribution under this SECTION shall deposit the distribution in the township dog fund.

(c) This SECTION expires January 1, 2008.

SECTION 9. [EFFECTIVE JANUARY 1, 2007] (a) Notwithstanding the repeal of IC 15-5-9-8 by this act, each township dog fund shall be maintained:

(1) at least until the county auditor makes the distribution required by SECTION 8 of this act; and

(2) if the township dog fund contains money on January 1, 2007, or receives money distributed by the county auditor under SECTION 8 of this act:

(A) until the fund is exhausted through the payment of:

(i) claims filed under IC 15-5-9-9.1 (before its repeal by this act); and

(ii) fees and charges under IC 15-5-9-10 (before its repeal by this act) and SECTION 10 of this act that are associated with a dog suspected of having rabies; or

(B) if the fund is not previously exhausted under clause (A), until July 1, 2007.

(b) If money remains in the township dog fund on June 30, 2007, the township trustee, on July 1, 2007, shall transfer the money:

(1) to the humane society designated by the county legislative body under IC 15-5-9-8(d) (before its repeal by this act) to

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1 receive a part of each dog tax payment; or

2 (2) if the county legislative body did not designate a humane
3 society under IC 15-5-9-8(d) (before its repeal by this act), to
4 the township general fund.

5 (c) This SECTION expires January 1, 2008.

6 SECTION 10. [EFFECTIVE JANUARY 1, 2007] (a)
7 Notwithstanding the repeal of IC 15-5-9-10 by this act, a township
8 trustee shall pay the fees and charges referred to in IC 15-5-9-10
9 that are:

10 (1) associated with a dog suspected of having rabies; and

11 (2) incurred after January 1, 2007, and before June 1, 2007;
12 from the township dog fund if money for the payment of the fees
13 and charges is available in the township dog fund under SECTION
14 9 of this act.

15 (b) This SECTION expires January 1, 2008.

16 SECTION 11. [EFFECTIVE JANUARY 1, 2007] IC 6-9-39, as
17 added by this act, does not apply to a county that imposes a local
18 tax on companion animals (as defined in IC 6-9-39-2, as added by
19 this act), before January 1, 2007.

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